

Migration – the next 25 years?

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4 main points

- Globalization in the late 20th century has hardly begun to exhaust the potential for migration – it has mostly been about the flows of goods, services and capital
- As migrants become more educated, migration will increasingly become a life-cycle phenomenon; people may move several times in a lifetime
- The key barriers to migration will be less those of nations and more those of cities – a return to the political configurations of medieval Europe
- The stakes in integration will be much higher:
 - for social cohesion, because people may invest less in their host communities
 - for the stability of political boundaries, because cities and regions will seek ways to limit their citizenship even within nation states

Ideas to remember

- Since the dawn of history, migration has been an investment in the future
- Poor people invest mainly in their children's future
- Rich people invest mainly in their own
- When you realize the fruits of your investment in your own lifetime, you change your lifestyle several times – to study, to work, to bring up children, to retire
- As travel costs fall, each change may mean a move

Two waves of globalization

- Globalization in the 19th century involved enormous flows of people – 60 million Europeans emigrated to the New World between 1820 and 1914.
- This at a time when the costs of travel were many times higher than today
- By the end of this period 15% of the US population and 22% of the Canadian population was foreign-born (11% and 19% today)
- The current wave is much more based on merchandise trade – equal to 20% of world GDP compared to 8% in 1913

What of the future?

- Even today, Tony Venables has noted that moving from a city of 100,000 to one of 10 million raises on average the productivity of all factors of production (labor, capital, human capital) by 40%
- Given how freely capital can move this suggests that the real pent-up demand will come from labour and human capital – people, in simple words!
- This is as much a matter of moving within countries as between them
- But migration barriers between countries are much stronger than they used to be, and those between cities may eventually become so
- The excluded regions from the 19th century's bout of globalization could export their people – this is no longer so easy

Migration is increasingly a life-cycle phenomenon

- In the 19th century much migration was one-way, even if the final destination sometimes took time to be settled
- Now more of it is two- or three-way, increasingly so for the educated – people often study in a different place from where they were born, then move again after their studies are over
- This has been well documented within developed countries (studies by Chen & Rosenthal 2006 or Detang-Dessendre et.al. 2004)
- Paradoxically, return migration is often more likely for those who have the right to stay
- It's not US-educated students on temporary visas that have built the Indian software industry, but Indian-origin entrepreneurs who returned when they could have stayed

Barriers will become more urban, less national

- This is part of a wider trend to manage the results of mobility, not just migration
- An example – the London congestion charge: an £8 (€13) per day charge to drive in the city's inner zone
- It has been imitated by Stockholm and will be followed by others, especially as the cost of enforcement technology falls
- Many congested formerly public spaces are being « privatized » - museums, highways, national parks, rivers and lakes, city centres, gated residential communities
- We may regret this but we had better get used to it
- It is a reminiscent of medieval Europe, where national frontiers were no barrier but city walls could stop you in your tracks

The greater flexibility of migration will lower incentives to assimilate

- Dustmann (2000) notes that temporary migrants have a 10 percentage-point lower probability of being fluent in the host country language than temporary migrants
- This rises to 49 percentage points if account is taken of two-way causality
- Evidence also of lower investment by temporary migrants in skill-acquisition
- It is likely (though not proved) that this would also apply to aspects of cultural assimilation
- Could this lead to rising ethnic tensions?
- And political fragmentation as cities and regions edge towards *de facto* independence?

How should we respond?

Overlapping citizenship

- If these developments happen, they will be the outcome of economic forces too strong to be simply arrested
- But we may be able to improve assimilation by focussing on a minimum set of shared cultural tools
 - Language, work skills, civic loyalty, civil & criminal law
 - Not religion, cuisine, media, clothing
- This is more assimilation than required by multiculturalism but less than by full secular republicanism
- And use technology (smart cards etc) to help people hold onto multiple levels of membership:
 - Citizen of a nation state, resident of a neighbourhood, licensed driver in a city, subscriber to a language service, user of a national park
 - People will be subscribers to their home jurisdictions and « paying visitors » of those others to which they temporarily move
- This need not be a depressing vision, but a reflection of normal human complexity that the industrial nation state has overlooked for too long

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